GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

STARRED QUESTION NO:289
ANSWERED ON:10.12.2001
AGRICULTURAL MARKETING
PUSHPDAN SHAMBHUDAN GADHAVI

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government are reviewing the present system of agricultural marketing in the country in the context of increasing agricultural production;

(b) if so, whether the Government propose to announce certain packages in the form of incentives for promotion of agricultrural marketing;

(c) if so, the details thereof; and

(d) the measures the Government propose to take in this regard and the time by which the review of the system of agricultural marketing is likely to be completed?

Answer

MINISTER OF AGRICULTURE (SHRI AJIT SINGH)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFFERED TO IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO.289 DUE FOR REPLY ON 10TH DECEMBER, 2001.

(a): Yes, Sir. The Government had constituted on 19th December 2000, an Expert Committee on Strengthening and Developing of Agricultural Marketing. The Committee submitted its Report on 29th June 2001. The main recommendations of the Expert Committee are given below:-

(i) Government need to examine existing legal framework governing the institution of regulated markets and remove all such restrictive provisions which inhibit growth of a competitive marketing structure in the country;

(ii) Government need to promote direct marketing of agricultural produce by the farmers to maximize their share in the price;

(iii) More commodities should be added to the list of commodities allowed for forward and futures trading to reduce price risk and to facilitate integration of domestic market with international markets;

(iv) Government should promote development of national warehousing receipt system for agricultural commodities to induce increased flow of funds to the agriculture sector and to improve price risk management;

(v) Credit policy of the Government should support pledge financing by treating it as a priority sector lending to agriculture with the facility of concessional re-finance;

(vi) Government need to promote marketing extension, training and research and use of information technology in agricultural sector to provide a variety of services to the farmers.

(b) to (d): An inter-Ministerial Task Force has been constituted to examine the recommendations and suggest measures for implementation of the recommendations of the Expert Committee. The State Governments/Union Territory Administrations have also been requested to examine the recommendations of the Expert Committee and provide their feed back to the Task Force. Currently, the term of the Task Force is up to 4.1.2002. Decisions on the packages to be announced and other measures to be initiated for promotion and development of agricultural marketing would be taken on the basis of the report of the inter-Ministerial Task Force.